

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF )  
MONROE COUNTY WATER ) CASE NO. 2017-00070  
DISTRICT FOR RATE ADJUSTMENT )  
PURSUANT TO 807 KAR 5:076 )

ORDER

The matter is before the Commission upon a motion filed on November 6, 2017, by Monroe County Water District ("Monroe District") for an Order to clarify and grant a deviation from 807 KAR 5:076 regarding the record on which this case will be decided. Also pending before the Commission are Monroe District's Post-Hearing Requests for Information to Commission Staff filed on November 3, 2017.

With respect to Monroe District's motion, the Commission granted a deviation by ruling from the bench at the conclusion of the October 25, 2017 hearing in this matter that the Commission would consider a post-hearing brief on the subject of depreciation. Therefore, Monroe District's motion for a deviation is denied as moot. Additionally, the Commission's Order of October 31, 2017 addresses the production of documents. We now clarify, as discussed below, that this is limited to the "work papers" referenced in the testimony of staff at the hearing in this matter. Therefore, the requests are denied, as they are discovery and outside the scope of 807 KAR 5:076.

Monroe District's motion cited previous Commission rulings as to the evidence to be considered in this rate case, which was filed under the Commission's regulation establishing the alternative rate adjustment procedure for small utilities, 807 KAR 5:076. That regulation specifically states in Section 3 that the Commission shall make its decision based on the applicant's annual reports, the applicant's rate application, information provided by the applicant in response to requests for information, written reports filed by Commission Staff, stipulations and agreements between the parties and Commission Staff, written comments and information filed by the parties in response to a written report by the Commission Staff, and the record of any hearing. The regulation does not permit discovery on Commission Staff outside the hearing.

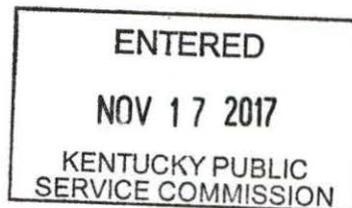
As stated in the Commission's written Orders of August 18, 2017; September 18, 2017; October 31, 2017; and the Commission's rulings at the October 25, 2017 hearing, which addressed a post-hearing brief regarding depreciation and "work papers" referred to by Commission Staff in testimony, 807 KAR 5:076 does not give parties a right to conduct discovery on Commission Staff outside of a hearing. The Commission recognizes the unique circumstances in that one of the authors of the Commission Staff Report, Jack Scott Lawless, is no longer a Commission employee, and that his recommendations in the Staff Report were adopted by Ariel Miller, a current Commission employee. Ms. Miller testified at the hearing, and references were made to Mr. Lawless's work papers. Under these circumstances, the Commission finds it reasonable to allow discovery of the work papers that were created by Mr. Lawless in conjunction with his preparation of the Staff Report. Therefore, the Commission will limit the scope of Monroe District's Post-Hearing Requests for Information to

Commission Staff to the work papers prepared by Mr. Lawless. Those work papers are attached hereto as an Appendix.<sup>1</sup>

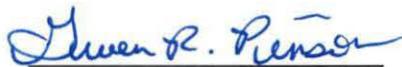
IT IS HEREBY ORDERED that:

1. Monroe District's motion for clarification is granted as set forth in the findings above.
2. Monroe District's motion to deviate is denied as moot.
3. Monroe District's Post-Hearing Requests for Information to Commission Staff are limited to the work papers in the Appendix.

By the Commission



ATTEST:

  
Executive Director

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<sup>1</sup> In addition to the four handwritten pages in the Appendix, Mr. Lawless received from Monroe District approximately 500 pages, some of which contain employee personal information. Those pages will be made available for inspection at the Commission's offices and may be included in the record upon the motion of Monroe District.

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2017-00070 DATED **NOV 17 2017**

Health Life & Dental insurance statement

2015 and 2016 ~~was~~ regular & OT hrs worked

Number of Taps set in 2015 + 2016

Audit Fee

Number of Non recurring charges in 2015 + 2016

RD 7 Bonds 6 to be refinanced 1999 not to be refinanced  
↳ KACO

KIA used

Purchased gallons

Water loss 2015 2016

Rickie Ross codes supplies invoices as cap or exp

Jerry Wretcher's bills for note case

Refinancing anticipated to occur in May, 2017.

Cycle 1 read 1-12 billed end of month

2 12-22 billed 8 of month after reading

Tower lease receipts 2017?

Depreciation

Audit Fee 08

Unbilled Revenue Rate had not changed

6" 5% Cast iron in downtown <sup>Gamaliel</sup> ~~Dorcas~~  
or Ductile Iron

95% PVC

3" & 4" installed by Monroe County employees

6" & 8" installed by contractor

replaced in 2003 8 mile main county house tank <sup>to Gamaliel</sup> ~~Dorcas~~ tank  
6" PVC schedule 160 pound class  
that was not properly installed early 80's  
one of first lines installed, This main installed on top of  
bedrock

Manager says that PVC can last 100 years

No plans for any major replacements in future

Most of main has been properly installed

No problems with main

8 or 9 tanks

in service currently

43 55 27 10 25 35 45 55 65 75  
85 52 50 60 40 55 25  
50 70 35

0007 - 08910 - 001

4130

34.51

0003 - 01900 - 001

6960

52.74

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